

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 239

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO URBAN RENEWAL; AMENDING SECTION 50-2006, IDAHO CODE, TO PROVIDE THAT URBAN RENEWAL AGENCY BOARD COMMISSIONERS SHALL BE RESIDENTS AND QUALIFIED ELECTORS OF THE MUNICIPALITY IN WHICH THE URBAN RENEWAL AGENCY WAS CREATED, TO REVISE A DATE, TO REQUIRE INCLUSION OF AN AGENCY'S BUDGET IN A CERTAIN REPORT AND TO ESTABLISH A PENALTY FOR AN AGENCY THAT FAILS TO FILE A CERTAIN REPORT; AMENDING CHAPTER 29, TITLE 50, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 50-2905A, IDAHO CODE, TO PROVIDE THAT REVENUE ALLOCATION FUNDS SHALL NOT BE USED TO CONSTRUCT CERTAIN BUILDINGS; AND AMENDING SECTION 63-802A, IDAHO CODE, TO REQUIRE NOTICE OF A CERTAIN MEETING.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 50-2006, Idaho Code, be, and the same is hereby amended to read as follows:

50-2006. URBAN RENEWAL AGENCY. (a) There is hereby created in each municipality an independent public body corporate and politic to be known as the "urban renewal agency" that was created by resolution as provided in section 50-2005, Idaho Code, before July 1, 2011, for the municipality; provided, that such agency shall not transact any business or exercise its powers hereunder until or unless: (1) the local governing body has made the findings prescribed in section 50-2005, Idaho Code; and provided further, that such agency created after July 1, 2011, shall not transact any business or exercise its powers provided for in this chapter until (2) a majority of qualified electors, voting in a citywide or countywide election depending on the municipality in which such agency is created, vote to authorize such agency to transact business and exercise its powers provided for in this chapter. If prior to July 1, 2011, the local governing body has made the findings prescribed in subsection (a) (1) of this section then such agency shall transact business and shall exercise its powers hereunder and is not subject to the requirements of subsection (a) (2) of this section.

(b) Upon satisfaction of the requirements under subsection (a) of this section, the urban renewal agency is authorized to transact the business and exercise the powers hereunder by a board of commissioners to be established as follows:

(1) The mayor, by and with the advice and consent of the local governing body, shall appoint a board of commissioners of the urban renewal agency which shall consist of not less than three (3) commissioners nor more than nine (9) commissioners. In the order of appointment, the mayor shall designate the number of commissioners to be appointed, and the term of each, provided that the original term of office of no more than two (2) commissioners shall expire in the same year. The commissioners shall serve for terms not to exceed five (5) years, from the date of ap-

pointment, except that all vacancies shall be filled for the unexpired term. The commissioners shall reside within and be qualified electors of the municipality in which the urban renewal agency was created.

(2) For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed by a majority vote of the board or by the local governing body only after a hearing and after he shall have been given a copy of the charges at least ten (10) days prior to such hearing and have had an opportunity to be heard in person or by counsel. Any commission position which becomes vacant at a time other than the expiration of a term shall be filled by a majority vote of the board. The board may elect any person to fill such vacant position where such person meets the requirements of a commissioner provided for in this chapter.

(3) By enactment of an ordinance, the local governing body may appoint and designate itself to be the board of commissioners of the urban renewal agency, in which case all the rights, powers, duties, privileges and immunities vested by the urban renewal law of 1965, and as amended, in an appointed board of commissioners, shall be vested in the local governing body, who shall, in all respects when acting as an urban renewal agency, be acting as an arm of state government, entirely separate and distinct from the municipality, to achieve, perform and accomplish the public purposes prescribed and provided by said urban renewal law of 1965, and as amended.

(4) By enactment of an ordinance, the local governing body may terminate the appointed board of commissioners and thereby appoint and designate itself as the board of commissioners of the urban renewal agency.

(c) A commissioner shall receive no compensation for his services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties. Each commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk of the municipality and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

The powers of an urban renewal agency shall be exercised by the commissioners thereof. A majority of the commissioners shall constitute a quorum for the purpose of conducting business and exercising the powers of the agency and for all other purposes. Action may be taken by the agency upon a vote of a majority of the commissioners present, unless in any case the by-laws shall require a larger number.

The commissioners shall elect the chairman, cochairman or vice chairman for a term of one (1) year from among their members. An agency may employ an executive director, technical experts and such other agents and employees, permanent and temporary, as it may require, and determine their qualifications, duties and compensation. For such legal service as it may require, an agency may employ or retain its own counsel and legal staff. An agency authorized to transact business and exercise powers under this chapter shall file, with the local governing body, on or before ~~March 31~~ the second Tuesday in September of each year a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year and its budget for the following fiscal year. The agency

1 shall be required to hold a public meeting to report these findings and take  
 2 comments from the public. At the time of filing the report, the agency shall  
 3 publish in a newspaper of general circulation in the community a notice to  
 4 the effect that such report has been filed with the municipality and that  
 5 the report is available for inspection during business hours in the office of  
 6 the city clerk or county recorder and in the office of the agency. Effective  
 7 2016, any urban renewal agency that fails to file a report in compliance with  
 8 this section shall be prohibited from receiving any increase in the incre-  
 9 ment from the preceding year.

10 (d) An urban renewal agency shall have the same fiscal year as a munici-  
 11 pality and shall be subject to the same audit requirements as a municipality.  
 12 An urban renewal agency shall be required to prepare and file with its lo-  
 13 cal governing body an annual financial report and shall prepare, approve and  
 14 adopt an annual budget for filing with the local governing body, for informa-  
 15 tional purposes. A budget means an annual estimate of revenues and expenses  
 16 for the following fiscal year of the agency.

17 (e) An urban renewal agency shall comply with the public records law  
 18 pursuant to chapter 3, title 9, Idaho Code, open meetings law pursuant to  
 19 chapter 23, title 67, Idaho Code, the ethics in government law pursuant to  
 20 chapter 7, title 59, Idaho Code, and the competitive bidding provisions of  
 21 chapter 28, title 67, Idaho Code.

22 SECTION 2. That Chapter 29, Title 50, Idaho Code, be, and the same is  
 23 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
 24 ignated as Section 50-2905A, Idaho Code, and to read as follows:

25 50-2905A. USE OF REVENUE ALLOCATION FUNDS -- LIMITATIONS. Notwith-  
 26 standing any other provision of this chapter, on and after July 1, 2015, an  
 27 urban renewal agency shall not use revenue allocation funds to construct  
 28 municipal buildings. For purposes of this section, a municipal building is a  
 29 central administrative police building, a city hall, a library, or a court-  
 30 house or other judicial building.

31 SECTION 3. That Section 63-802A, Idaho Code, be, and the same is hereby  
 32 amended to read as follows:

33 63-802A. NOTICE OF BUDGET HEARING OR PUBLIC MEETING. (1) Not later  
 34 than April 30 of each year, each taxing district shall set and notify the  
 35 county clerk of the date and location set for the budget hearing of the dis-  
 36 trict. If no budget hearing is required by law, the county clerk shall be so  
 37 notified.

38 (2) Beginning in 2003, a taxing district that fails to comply with sub-  
 39 section (1) of this section shall be prohibited from including in its bud-  
 40 get any budget increase otherwise permitted by either subsection (1) (a) or  
 41 (1) (e) of section 63-802, Idaho Code.

42 (3) If a taxing district wishes to change the time and location of such  
 43 budget hearing as stated on the assessment notice, it shall publish such  
 44 change of time and location in advance of such hearing as provided by law.

45 (4) Beginning January 1, 2016, an urban renewal agency, not later than  
 46 April 30 of each year, shall set and notify the county clerk of the date and  
 47 location of the public meeting required pursuant to section 50-2006, Idaho

1   Code. Any urban renewal agency that fails to comply with this subsection  
2   shall be prohibited from receiving any increase in the increment from the  
3   preceding year.